

Amendments to the Claims:

Please cancel claims 12 and 17-26 without prejudice or disclaimer. This listing of claims will replace all prior versions, and listings of claims in the application:

Listing of Claims:

1. (Currently Amended) A method of scoring risk associated with cashing a check, the method comprising:

receiving information about a check written by a first party and presented to an entity for cashing by a second party other than the first party check writing entity;

accessing stored positive pay information about issued checks wherein said positive pay information indicates whether a check issuer is willing to honor the presented check so as to reimburse an entity who has provided cash in return for accepting the check;

~~assessing the reliability of the positive pay information~~ assigning a positive pay category based on a comparison of the stored positive pay information and the received information about the check; and

determining a positive pay risk score associated with cashing the presented check based at least in part on the assigned positive pay information ~~and the assessed reliability of the positive pay information category.~~

2. (Original) The method of Claim 1, wherein receiving information about the presented check comprises receiving at least one of the set consisting of: bank number, account number, check number, check issue date, check amount, payee identifier, and payor identifier.

3. (Original) The method of Claim 1, wherein receiving information about the presented check comprises receiving information obtained from a magnetic ink character recognition (MICR) line on the check.

4. (Currently Amended) The method of Claim 1, ~~further comprising determining a gradated positive pay risk score based at least in part on the stored positive pay information~~, wherein the positive pay risk score corresponds to a gradated level of confidence that the check will be honored by the check issuer.

5. (Original) The method of Claim 4, wherein determining a risk score associated with cashing the presented check comprises determining a transaction risk score that is based at least in part on the positive pay risk score.

6. (Previously Presented) The method of Claim 5, wherein determining the transaction risk score is further based at least in part on additional information associated with cashing the presented check.

7. (Original) The method of Claim 6, wherein determining the transaction risk score based at least in part on additional information comprises determining the transaction risk score based at least in part on at least one of the set consisting of: additional information about the check, information about a check presenter associated with the check, and information about an entity to which the check is presented for cashing.

8. (Currently Amended) A computerized method for determining whether to authorize payment of a second-party check presented to an entity for processing, the method comprising:

obtaining with a point of sale device installed in an entity location data comprising at least one of: an account identifier, a check number, a check issue date, and an amount associated with a second-party check presented for processing;

transmitting the data to a check authorization system;

identifying at the check authorization system which of a plurality of positive pay databases is associated with the second-party check;

accessing the identified positive pay database associated with the second-party check and comparing the transmitted data and information stored in the positive pay database;

~~assessing the reliability of the information provided by the positive pay database~~
assigning a positive pay category based on comparing the transmitted data and the information
stored in the positive pay database;

determining a risk score associated with accepting the second-party check from a processor of the check and providing valuable consideration to the possessor in return for the second-party check based at least in part on the comparison and further based upon the ~~assessed reliability of the information provided by the positive pay database~~ positive pay category;

determining based at least in part on the risk score whether to authorize payment of the second-party check; and

transmitting a recommendation indicative of the authorization determination to the entity.

9. (Original) The computerized method of Claim 8, further comprising:
obtaining with the point of sale device information about a payee of the second-party check; and
transmitting the payee information to the check authorization system.

10. (Original) The computerized method of Claim 8, wherein determining whether to authorize payment of the second-party check comprises determining whether to guarantee the second-party check.

11. (Original) The computerized method of Claim 8, wherein determining whether to authorize payment of the second-party check further comprises determining whether to purchase the second-party check from the entity.

12. (Canceled)

13. (Currently Amended) An apparatus that scores risk associated with accepting a check, the apparatus comprising:

a database that stores positive pay information about checks issued by check writers to payees wherein said positive pay information indicates issued checks that check writers are willing to honor;

a computer processor configured to receive input about a check presented to an entity by a check presenter claiming to be a payee, the computer processor further configured to use the input to access positive pay information from the database that is associated with the payor of the check and ~~assess the reliability of the positive pay information~~ assign a positive pay category based on a comparison of the positive pay information from the database and the received input about the check, the computer processor further configured to determine a positive pay risk score associated with accepting the check and providing cash to the payee in return for accepting the check based at least in part on the positive pay ~~information and the assessed reliability thereof~~ category.

14. (Original) The apparatus of Claim 13, wherein the database further stores information about issued checks that check writers are not willing to honor.

15. (Original) The apparatus of Claim 13, wherein the computer processor is located at a check authorization system and the database is located at a financial entity external to the check authorization system.

16. (Previously Presented) The apparatus of Claim 13, wherein the computer processor is located at a check authorization system and the database is located at the check authorization system.

17. (Canceled)

18. (Canceled)

19. (Canceled)

20. (Canceled)

21. (Canceled)

22. (Canceled)

23. (Canceled)

24. (Canceled)

25. (Canceled)

26. (Canceled)

Please add the following new claims:

27. (New) The method of claim 5, wherein determining the transaction risk score comprises integrating the positive pay risk score with at least one other variable risk score associated with the transaction.

28. (New) The method of claim 1, wherein the positive pay category is selected from a group consisting of: "match"; "no match"; "item paid"; "item stopped"; "item voided"; and "data unavailable".